

CITY OF PRESCUTT P.O. Box 2059 Prescott, AZ 86302 928-777-1270

Mayor Rowle P. Simmons

January 22, 2004

Mr. Marc Spitzer Chairman Arizona Corporation Commission 1200 West Washington Phoenix, AZ 85007

## OPEN MEETING AGENDA ITEM ORIGINAL



Arizona Corporation Commission

DOCKETED

JAN 2 8 2004

DOCKETED BY

Councilman Bob Bell Councilman Steve Blair Councilman Jim Lamerson Councilman Bob Roecker Councilman John Steward

Councilwoman Mary An Suttles REC IVED JAN 2 3 2004

Environmental Portfolio Standard Docket No. RE-00000C-00-0377

Dear Mr. Spitzer:

I know you have strong ties with Prescott and Yavapai County and are familiar with the conditions of the forest in our region. You know how close the Indian Fire in 2002 came to causing catastrophic damage to Prescott, and you are probably aware of the difficulties we have had in moving forward with a forest protection plan.

I understand that the Commission is in the process of reviewing the Environmental Portfolio Standard (EPS) that seeks to have 1.1% of Arizona's electricity generated by renewable sources by 2012. While I am in full agreement with use of Solar and Wind as additional sources of energy, I also believe that the addition of Biomass energy plants to the EPS would be a wise decision. In order to accomplish this, I understand the following must take place:

- The EPS needs to be extended beyond the 2012 expiration date.
- Allow for long-term contracts for Power Purchase Agreements (PPA's) for greater than 10 years. This will allow for return on investment and reinvestments.
- Allow for a portion of the 1.1% standard to be dedicated to Biomass energy production.

The addition of Biomass energy production in the Prescott National Forest area will allow for the removal of the slash and other wood waste to be used in a productive fashion. Right now, the excess is stacked and at "safe" times of the year (usually the winter), they are burned. The addition of this smoke in the Prescott basin causes an inversion layer and detracts from our area. A biomass energy plant would burn wood wastes without the potentially harmful emissions associated with slash burning.

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As the Commission's Chair, I would like you to help move this forward and give our citizens and local forest officials an additional option for assisting in the clean-up of a very dangerous condition.

Sincerely

Mayor Rowle P. Simmons

/to